

Awaken the Sleeping Giant: Ways to Maximize Your Board's Effectiveness

2018 Nonprofit Leaders Conference for Coastal & Southwest Washington

SOME HELPFUL ONLINE SOURCES

- BoardSource: Building Effective Nonprofit Boards, www.boardsource.org
- CoreStrategies for Nonprofits, Inc., www.corestrategies4nonprofits.com
- Independent Sector, <http://independentsector.org/>
- National Council of Nonprofits, <http://www.councilofnonprofits.org/>
- Network for Good, www.networkforgood.com
- Nonprofit Quarterly (NPQ), <http://nonprofitquarterly.org/>

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CATALYTIC QUESTIONS

Source: Governance as Leadership: Reframing the Work of Nonprofit Boards, Richard P. Chait, William P. Ryan, and Barbara Taylor, John Wiley & Sons, 2004

- What three adjectives or short phrases best characterize this organization?
- What will be most strikingly different about this organization in five years?
- What do you hope will be most strikingly different about this organization in five years?
- On what list, which you could create, would you like this organization to rank at the top?
- Five years from today, what will this organization's key constituents consider the most important legacy of the current board?
- What will be most different about the board or how we govern in five years?
- How would we respond if a donor offered a \$50 million endowment to the one organization in our field that had the best idea for becoming a more valuable public asset?
- How would we look if we entered an alliance or strategic restructuring with a potential or actual competitor?
- If we could successfully enter an alliance or strategic restructuring with another organization, which one would we choose and why?
- What has a competitor done successfully that we would not choose to do as a matter of principal?
- What have we done that a competitor might not do as a matter of principal?
- What headline would we most/least like to see about the organization?
- What is the biggest gap between what the organization claims it is and what it actually is?

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SAMPLE ONE-PAGE COVER SHEET FOR BOARD PACKETS

Contents of Packet¹

1. Agenda
2. Minutes of previous session
3. Executive Director's report
4. Committee reports
5. Financial reports
6. Background/study information related to this session's discussions/decisions

Previous Actions/Agreements Related to this Session²

1. [Key questions raised by, or debated in, prior discussions and, hopefully, addressed in the materials for this session]
2. [Previous decisions that necessitate/lead to the discussions/decisions planned for this session]
3. [These could be listed by topic/action item]

Achievements Desired in this Session³

1. Action Items (Decisions Needed)
2. Discussions/Clarifications/Guidance Needed
3. Education and Information (Strategic, Mission/Program, Board Performance)

Open-Ended Questions⁴

1. [Example] The recent grant proposal we submitted to the XYZ Foundation to fund our proposed new ABC program was declined due to "lack of sustainability." What do you think prompted the XYZ foundation to question its sustainability? What can we do to better demonstrate sustainability?
2. [Example] In this session, the JKL Committee will recommend that we discontinue our annual fundraising luncheon and instead focus more of our fundraising efforts on personal contacts aimed at developing major and planned gifts. Do you agree? What do you see as the advantages and disadvantages?

¹ List in the order presented.

² Briefly describe the context for this session's discussions/decisions. What decisions already have been made? What other parameters are fixed and closed to further discussion? Why are the issues important for the board to discuss/decide? Why now instead of earlier/later? Where can board members find the relevant background information to prepare for this session's discussions/decisions (i.e. in the packet, or elsewhere)?

³ What outcomes do staff, committee, or other board members need in order to walk away from this session with clear authorization and direction for the tasks at hand? How will we know the meeting was successful?

⁴ Use 2-3 provocative, open-ended questions to encourage board members to engage with the background/study materials and reports.

Building a High Performing Board

TEAMWORK AGREEMENTS



Culture and Performance

Every board has a culture – the way members typically act or behave with each other. These behaviors are not only OK; they are expected. They form an unwritten set of informal team “rules” that shape board behavior as powerfully as if they were written into the by-laws.

Over time, some boards evolve cultural expectations that contribute to poor board performance, for example:

- It’s OK to come to meetings late, or to miss a meeting.
- It’s OK to come to meetings unprepared, or to ignore assignments.
- It’s best not to question decisions proposed by the Executive Committee.
- It’s OK for some board members to dominate discussions and for others not to participate.
- It’s OK to attend to cell phone calls / text messages during board meetings.

The results? New board members tend to adopt the behavioral expectations they observe. High performing board members become frustrated and leave. Bad board behavior becomes the rule, rather than the exception.

Developing Teamwork Agreements

Savvy chairs find ways to engage their board in the development and maintenance of a high performing team culture. Teamwork Agreements (also called Board Norms) provide one such tool. The process may be facilitated by an experienced chair, board member or professional consultant.

Most people find it difficult to define the behaviors they want (desirable behaviors). However, people usually have no problem defining what they don’t like (undesirable behavior). The Teamwork Agreement process helps board members collectively:

- Identify and describe problem (undesirable) behaviors.
- Decide which behaviors they wish to eliminate, change or keep.
- Agree to hold themselves and one another accountable to new team “rules,” or norms.

How to Proceed

1. Ask each board member to identify undesirable board behaviors (no names) using the worksheet. **Undesirable behaviors** include any that interfere with the board’s performance and productivity.
2. Next to each undesirable behavior listed on the worksheet, ask board members to try to restate it as a desirable behavior. **Desirable behaviors** make people feel accepted and respected and lead to high levels of individual/board performance and productivity.

3. Use one of two options for getting board members to generate the behavior lists:
 - a. Have them work individually during a meeting, or via an online survey. Collect each list ... no names! Compile a master list of all behaviors to share.
 - b. Facilitate a group brainstorming session. Record the behaviors on a master list.
4. Facilitate a discussion of each behavior. Identify and achieve consensus around the 8-10 most desirable team behaviors. Make sure team behavior expectations are specific and behavioral. Otherwise, the process won't work.
5. Ask each board member to make the following commitment: "I will try my best to use the new team behaviors and will accept feedback if I falter." If anyone refuses to commit to the agreement as stated, ask what changes would earn their commitment.
6. Create a Board Teamwork Agreement and agree on a process for implementing and updating the agreement, as well as for monitoring performance.

Teamwork Behaviors Worksheet

Undesirable Behaviors <i>Any behavior that causes distress or disrupts performance of the board or any member.</i>	Desirable Behaviors <i>Any behavior that, when substituted for a problem behavior, increases team productivity and trust.</i>

Sample Board Teamwork Behaviors

- If I miss a board meeting, I will take the initiative to learn what I missed and clarify any questions I have about the items discussed or decided before the next meeting.
- I will arrive at least five minutes prior to each board meeting and get seated and ready to begin prior to the start time.
- I will keep my cell phone and any other such device off or on vibrate during board meetings. If I must respond to a call or message, I will leave the room.
- I will listen respectfully to points of view that differ from my own and seek to understand the reasoning behind others' points of view before responding.
- I will hold all board deliberations in confidence.

Emerging Governance Practices by Trend

TREND	EMERGING PRACTICES TO CONSIDER
<p><i>Boards are shifting their focus from:</i></p> <ul style="list-style-type: none"> • <i>Operational to strategic</i> • <i>Structures and operations to governance</i> • <i>Internal to organizational context</i> • <i>Stand-alone to collaborative opportunities</i> 	<ul style="list-style-type: none"> • Eliminate staff led, operational committees. Focus board work on organizational direction, accountability and governance. • Establish routine executive sessions: <ul style="list-style-type: none"> ○ Two major executive sessions per year (CEO performance evaluation and auditor report to board) ○ Five-to-seven minute “board huddles” at the end of every board meeting focused entirely on board performance (Theme: How well did we govern/performance today?) ○ Five-to-seven minute executive sessions (with ED) at the beginning of every meeting (Theme: goals for the meeting) • Organize agenda and ED reports by strategic objective – promotes strategic thinking, planning and monitoring • Develop and maintain a strategic “dashboard” of key performance indicators (color-coded to indicate issues needing board attention) • Reserve the term “board” for <i>the</i> board. Use terms such as council, commission, etc. for advisory groups • Engage in frequent formal and informal community contact to identify community needs and external obstacles, threats, opportunities, resources, competition affecting the organization • Explore collaborative opportunities (e.g. joint advertising, purchasing, fundraising, and facility development ventures, as well as program collaborations and merger opportunities)
<p><i>Boards are working harder and smarter to inform and engage their members by:</i></p>	<ul style="list-style-type: none"> • Provide secure, online access as needed to all board information (including agenda, minutes, by-laws, review materials, etc.) • Deliver link to board information 7-10 days in advance

TREND	EMERGING PRACTICES TO CONSIDER
<ul style="list-style-type: none"> • <i>Making board communications conveniently accessible</i> • <i>Shifting meeting content from show-and-tell to give-and-take</i> • <i>Experimenting with meeting styles and processes that appeal to younger generations</i> 	<ul style="list-style-type: none"> • Give a quiz at each meeting's outset to determine member preparedness (award prizes or levy "fines") • Institute a consent agenda – contains everything (including staff/committee reports) that can be accepted or voted on without discussion • Create action-focused agendas. Dedicate board room time to "catalytic questions" and decision-making about the future (report about the past only to inform current decision-making) • Accompany board materials with one "Cover Sheet" summary to provide context for new actions • Accommodate younger board members with task forces, technology, sense of community, teamwork (less hierarchy) <ul style="list-style-type: none"> ○ Avoid saying "you can't" ○ Increase social time ○ Reduce prolonged board and standing committee work – increase work you can do "right now"
<p><i>Boards are becoming leaner and more effective by:</i></p> <ul style="list-style-type: none"> • <i>Reducing the number of members and standing committees</i> • <i>Merging/redefining traditional officer positions</i> 	<ul style="list-style-type: none"> • Smaller (8-15) boards facilitate both active participation and effective decision making <ul style="list-style-type: none"> ○ If larger is mandatory, break into smaller groups for tasks • Change by-laws to reduce/eliminate standing committees; give chair authority to appoint ad hoc committees/task forces • Re-think leadership roles: <ul style="list-style-type: none"> ○ Minimize power of Executive Committee (maybe eliminate) ○ Merge Secretary-Treasurer Offices (or appoint Secretary as Chair of Governance Committee) ○ Establish a Governance Committee • Appoint Secretary as Chief Governance Officer and chair of the Governance Committee (unless merged with Treasurer)
<p><i>Boards are applying more intentionality to the processes of:</i></p>	<ul style="list-style-type: none"> • Recruit new members based on strategic inclusiveness rather than convenient personal connections and willingness <ul style="list-style-type: none"> ○ Compare existing talents/traits with those needed ○ Research to identify prospects from multiple sources (e.g. donor/prospect records; external databases/ contacts)

TREND	EMERGING PRACTICES TO CONSIDER
<ul style="list-style-type: none"> • <i>Recruiting, orienting and mentoring new board members</i> • <i>Developing the knowledge and skills necessary to govern more effectively</i> • <i>Performing more effectively as a team</i> 	<ul style="list-style-type: none"> • Develop a Governance Committee to drive recruitment, orientation and mentoring process <ul style="list-style-type: none"> ○ Require orientation prior to seating new board members ○ Assign mentors (preferably seasoned board members) to contact new board members before and after each of the first 3-6 meetings (to answer questions, reassure, etc.) ○ Welcome newly-elected board members within 15 minutes of election by a call from the board chair; follow up with a welcome call from the CEO • Dedicate first and last meeting of each Fiscal Year to full board review of legal/financial compliance issues (including 990-PF requirements and content) • Schedule frequent opportunities during regular board meetings for board education about mission-related issues (“mission moments”) and effective governance practices • Develop board “team agreements” or other approaches that stress shared responsibilities and joint commitment to one another and to the team’s success <ul style="list-style-type: none"> ○ Work on board tasks and solve problems together as a group, using complementary skills ○ Cultivate group norms and goals for board behavior (e.g. fines for missed meetings, late arrivals or cell phones going off with proceeds donated to the organization) ○ Reach team agreements regarding “process deliverables” (e.g. board self-improvement goals) as well as “content deliverables” (e.g. organizational outcomes) • Develop a sense of mutual accountability <ul style="list-style-type: none"> ○ Frequent self-evaluation ○ Discuss weaknesses and set goals for remedying ○ Fix processes, not people
<p><i>Boards are striving to govern more and manage less – to:</i></p> <ul style="list-style-type: none"> • <i>Lead as organizational partners and stewards</i> 	<ul style="list-style-type: none"> • Consider holding fewer (perhaps longer) meetings each year. <ul style="list-style-type: none"> ○ Local boards: 6-9 max (including an annual retreat)

TREND	EMERGING PRACTICES TO CONSIDER
<ul style="list-style-type: none"> • <i>Leverage their expertise and connections to inform pragmatic approaches to getting things done</i> 	<ul style="list-style-type: none"> • Empower chair to lead efforts to improve board performance (significant improvements require a minimum of 2-3 years) <ul style="list-style-type: none"> ○ Offer specialized training/coaching for the chair ○ Consider optional two-year terms for chair ○ Build close working relationships among the immediate chair, current chair and chair elect
<ul style="list-style-type: none"> • <i>Understand and attend to their accountabilities</i> 	<ul style="list-style-type: none"> • Adjust by-laws to improve governance and accountability <ul style="list-style-type: none"> ○ Institute term limits; avoid automatic extension ○ Add an Absence Clause: board members automatically considered to have resigned from the board if they miss three or more consecutive meetings in any 12-month period (options include: unexcused absence clause, contact by Governance/Chair before vote to “accept resignation,” and leaves of absence) ○ Add a Removal Clause: gives the board a right to remove a board member with or without cause by 2/3 vote ○ Add a Technology Clause: permits board members to connect and vote online or via phone as long as communication is simultaneous (usually with limits) ○ Create elite avenues of non-board service (e.g. emeritus councils) for special people who cannot fulfill their board responsibilities, and consult with them regularly • Ensure organizational accountability <ul style="list-style-type: none"> ○ Whistle-blower policy ○ Document retention and discussion policy ○ Conflict of interest policy for board and staff.